

Overview of Governor's Health & Human Resources Budget Reductions

Aryana Khalid
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Policy Principles

- Minimizing impact on direct services
- Priority on reducing central office and administrative positions vs. field staff whenever possible
- Decrease usage of contracts and P-14s

Total HHR Budget Reductions

General Fund Reduction	(\$48,502,144)
General Fund Revenue/Transfers	\$38,090,927
Total General Fund Impact	\$86,593,071
Total Position Level Changes	(225.00)
Total Layoffs	61.00

DMAS

Total GF Impact	Total Position Level Changes	Total Layoffs
\$7,410,390	10.00	0

- Administrative Savings
 - Reduce FAMIS outreach (\$70k)
 - Reduce administrative funding (\$1.4M)
 - Discretionary (\$185k)
 - New initiatives (\$1.25M)
- Provider Reimbursement Reductions
 - Eliminate Indigent Health Care Trust Fund (\$4.3M)
- Pharmaceutical Savings
 - Capture rebates on physician-administered drugs (\$1.0M)
 - Capture rebates on institutional drugs (\$125k)
 - Expanding specialty drug and dose optimization programs (\$93K)

DMHMRSAS

	Total GF Impact	Total Position Level Changes	Total Layoffs
Central Office	\$4,889,440	43.00	32
CSB	\$12,400,000	0.00	0
MH Facility	\$7,001,056	0.00	0
MR Facility	\$15,067,179	0.00	0

- Central Office
 - Eliminate vacant positions and reduce central office staffing levels (\$2.6M)
 - Reduce administrative expenditures (\$78K)
- CSBs
 - Reduce funding for administrative costs of CSBs (\$12.4M)
- MHMR Facilities
 - Consolidate administrative services at a regional level (\$2.0M)
 - Include HR, purchasing, and financial services

DSS

Total GF Impact	Total Position Level Changes	Total Layoffs
\$20,880,100	37.00	9.00

- Central Office

- Eliminate vacant positions and reduce staffing levels (\$1.0M)
- Reduce administrative spending (\$39K)
- Lower than anticipated projections (\$950k)

- Utilize NGF Balances

- TANF child support collections—increase due to stimulus checks (\$15.2M)
- Food Stamp high performance bonus award (\$1.4M)
- Balance in CPS Registry Fund (\$500K)

VDH

Total GF Impact	Total Position Level Changes	Total Layoffs
\$14,678,990	129.00	17.00

- Central Office

- Eliminate vacant positions and reduce staffing levels (\$537K)
- Reduce discretionary spending (\$438K)
- Reduce aid to non-state entities (\$323K)
- Balances from Vital Statistics Automation Fund (\$2M)
- Balances from Water Supply Assistance Grant Fund (\$3.1M)

- Local Health Departments

- Eliminate vacant positions (\$2.1M)
- Reduce operating expenses (\$539K)
- Reduce allocation to two locally administered health departments (\$360K)